

(b) whether the salaries to the workers of the mills have not been paid for the last eight months;

(c) if so, the steps taken by the Government to provide salaries to the employees of the mills and to release payment to farmers who supplied sugarcane to the said Unit during 1994-95; and

(d) the action taken by the Government to revive the said Mills?

THE MINISTER OF TEXTILES (SHRI R.L. JALAPPA):

(a) The sugar season 1995-96 could not be completed due to a major break down in the power house. During 1996-97 season, the operations have since been suspended considering the losses involved in operations.

(b) to (d) The sugar mills have paid wages and salaries upto Nov., 96. The Cawnpore Sugar Works Ltd. is trying to clear the dues of the workers and farmers by diverting funds from the other units of the company to the extent possible. Since Cawnpore Sugar Works Ltd. is not a public sector undertaking, the Government does not provide any budgetary support towards payment of salaries and sugarcane dues and has also not prepared any revival package for the mills. However, the revival of Cawnpore Sugar Works Ltd. is presently under consideration of the BIFR.

Tax Holiday

559. COL. SONA RAM CHOUDHARY: Will the Minister of FINANCE be pleased to state:

(a) whether the Government have declared Five Year Income Tax Holiday to newly established industries in industrially backward areas on or after October 1, 1994 to March 31, 1999;

(b) whether the Government have accepted to declare 12 districts of Rajasthan as industrially backward districts;

(c) if so, the reasons for not declaring these 12 districts of Rajasthan so far as industrially backward districts, thereby denying the newly established industries five year income Tax Holiday; and

(d) the time by which the declaration in this regard is likely to be made?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI SATPAL MAHARAJ): (a) Yes, Sir.

(b) to (d) The Finance Act, 1994-95 provides for 100% tax holiday for initial five years in case of industrial undertakings located in notified industrially backward districts, if the undertaking begins to manufacture of produce articles or things or to operate its cold storage plant or plants from 1.10.1994 to 31.3.1999. This tax holiday is provided under Section 80-IA of the Income-tax Act, 1961. Two study groups were constituted in the Ministry of Finance for identification of industrially backward districts for the purposes of granting 100% tax holiday under Section 80-IA of the Income-tax Act. These study groups

submitted their reports in 1994 and 1996 respectively. The reports of these groups have been submitted to the Government and the same is under the consideration of the Government for notifying the industrially backward districts of the country.

Scheme for Development of Khadi and Cottage Industries in Orissa

560. SHRI MURALIDHAR JENA: Will the Minister of INDUSTRY be pleased to state:

(a) the details of the proposed new schemes for development of Khadi and Cottage Industries in Orissa;

(b) the kind of assistance being provided for setting up of such industries in the rural areas of the State;

(c) the name of schemes for which financial assistance is likely to be provided; and

(d) the other details thereof?

THE MINISTER OF INDUSTRY (SHRI MURASOLI MARAN): (a) In addition to the ongoing Khadi and Village Industry programmes such as Khadi Cotton, Khadi Woollen, Khadi silk, Polyvastra, cottage pottery, lime manufacturing, agarbatti, handmade paper, beekeeping, ghani oil food processing, cottage leather, etc., Khadi and Village Industries Commission (KVIC) propose to promote new schemes in Orissa, namely:-

1. Khadi muslin;
2. Processing of cereals & pulses industry (PCPI) units in paddy, masala, papad, rice, atta;
3. Fibre Processing Industry units in rope-making, banana fibre production, tatapatti weaving, koragrass mat weaving;
4. Primary and Medium scale beekeeping units;
5. Laundry soap unit; and
6. Portable Power Ghani units.

(b) Apart from budgetary supports, KVIC is providing Consortium Bank credit to the implementing agencies such as State Khadi and Village Industries Board, recognised institutions and individual artisans in the State. Besides this, KVIC is also providing infra-structural facilities, technical assistance, training, up-to-date tools and equipments for promotion of Khadi of Khadi and Village Industries in the State.

(c) and (d) KVIC is committed to provide financial assistance to the ongoing and new Khadi and Village industries schemes.

Surplus Land of NTC

561. SHRI K.C. KONDAIAH: Will the Minister of TEXTILES be pleased to state:

(a) the total surplus land owned by the National Textile Corporation in Karnataka;